2009 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB75)

Received: 06/10/2009					Received By: pkahler			
Wanted: As time permits					Identical to LRB:			
For: Legislative Fiscal Bureau This file may be shown to any legislator: NO					By/Representing: Austin			
					Drafter: pkahler			
May Contact:				Addl. Drafters:				
Subject:	Insurance - miscellaneous Insurance - health				Extra Copies:			
Submit v	via email: YES							
Requeste	er's email:							
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Topic:								
Independ	dent review mo	difications						
Instruct	tions:							
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Drafting	g History:							
Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required	
/?	pkahler 06/10/2009	csicilia 06/10/2009						
/1			jfrantze 06/10/200	09	sbasford 06/10/2009			
/2	pkahler 06/10/2009	csicilia 06/10/2009	rschluet 06/10/200	09	sbasford 06/10/2009			

LRBb0865 06/10/2009 03:09:33 PM Page 2

FE Sent For:

<**END>**

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/?	pkahler	1 ijs 6/10	Do	L 10				
FE Sent Fo	or:	!						

<**END>**

[']Kahler, Pam

From: Austin, Sam

Sent: Tuesday, June 09, 2009 5:42 PM

To: Kahler, Pam Cc: Morgan, Charlie

Subject: FW: Budget amendment request

Attachments: 20090609170242755.pdf



Hi Pam,

Here's an electronic copy of that health insurance amendment. Let me know if you or other drafting attorneys see any issues that could be problematic with the way the proposal is worded.

Thanks, and have a good night,

Sam

Sam Austin, Fiscal Analyst Wisconsin Legislative Fiscal Bureau 1 E. Main Street, Suite 301 Madison, WI 53703

Telephone: (608)266-3847 Fax: (608)267-6873

E-Mail: Sam.Austin@legis.wisconsin.gov

----Original Message----

From: Houdek, Nathan

Sent: Tuesday, June 09, 2009 5:02 PM

To: Austin, Sam

Subject: Budget amendment request

----Original Message---From: Network Scanning

Sent: Tuesday, June 09, 2009 4:03 PM

To: Houdek, Nathan

Subject:

This E-mail was sent from "RNPBB19E1" (MP 5500/LD255).

Scan Date: 06.09.2009 17:02:42 (-0400)

Queries to: networkscanning@legis.wisconsin.gov

Amendment to AB 108

Delete AA 3 to AB 108.

On page 7, after line 16, insert:

"Section 17 M. 632.835 (7) (title) of he statutes is amended to read:

632..835 (7) (title) IMMUNITY; PRESUMPTION"

On page 7, after line 22, insert:

"Section 18 M. 632.835 (7) (c) and (d) are created to read:

- (c) An insurer is not liable for punitive damages that are otherwise provide by law for actions the insurer takes in compliance with an independent review organization decision issued under this section that relates to a pre-existing condition denial or rescission.
 - (d) In any civil court case brought by the insured against an insurer an independent review organization decision issued under this section relating to a pre-existing condition denial or rescission is presumed to be correct and the insured has the burden of proof to establish otherwise."

See 632.835(3)(4)2.

Amendment to AB 108

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On page 7, after line 16, insert:

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632..835 (7) (title) IMMUNITY; PRESUMPTION"

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State of Misconsin 2009 - 2010 LEGISLATURE

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LFB:.....Austin - Independent review modifications

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION ASSEMBLY AMENDMENT,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,





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At the locations indicated, amend the substitute amendment as follows:

- 1. Page 1611, line 25: after "insured." insert "If an insured brings a civil action against an insurer after an independent review organization has issued a decision relating to a preexisting condition exclusion denial determination or a rescission, the decision of the independent review organization is presumed to be correct and the insured has the burden of rebutting the presumption.".
 - **2.** Page 1612, line 11: after that line insert:

"Section 3192m. 632.835 (7) (c) of the statutes is created to read:

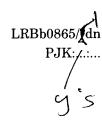
632.835 (7) (c) An insurer is not liable for punitive damages for actions taken in compliance with any decision rendered by a certified independent review

- organization under this section relating to a preexisting condition exclusion denial
- determination or a rescission.".

3 (END)

Je J

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU



Sam:

I had Bob Nelson review the language, and he made a couple of minor changes. As you can see, I placed the presumption language in s. 632.835 (3) (f) 2., because I thought it directly related to that language (providing that certain decisions are not binding on an insured).

Pamela J. Kahler Senior Legislative Attorney Phone: (608) 266–2682

E-mail: pam.kahler@legis.wisconsin.gov

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRBb0865/1dn PJK:cjs:jf

June 10, 2009

Sam:

I had Bob Nelson review the language, and he made a couple of minor changes. As you can see, I placed the presumption language in s. 632.835 (3) (f) 2., because I thought it directly related to that language (providing that certain decisions are not binding on an insured).

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E-mail: pam.kahler@legis.wisconsin.gov



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State of Misconsin 2009 - 2010 LEGISLATURE

LRBb0865/1

PJK:cjs:jf

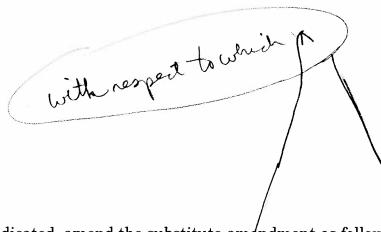
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LFB:.....Austin - Independent review modifications

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION ASSEMBLY AMENDMENT,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1, TO 2009 ASSEMBLY BILL 75



At the locations indicated, amend the substitute amend as follows:

1. Page 1611, line 25: after "insured." insert "If an insured brings a civil action against an insurer after an independent review organization has issued a decision relating to a preexisting condition exclusion denial determination or a rescission the decision of the independent review organization is presumed to be correct and the insured has the burden of rebutting the presumption."

- 2. Page 1612, line 11: after that line insert:
- 8 "Section 3192m. 632.835 (7) (c) of the statutes is created to read:
 - 632.835 (7) (c) An insurer is not liable for punitive damages for actions taken in compliance with any decision rendered by a certified independent review

- organization under this section relating to a preexisting condition exclusion denial
- determination or a rescission.".

3 (END)



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State of Misconsin 2009 - 2010 LEGISLATURE

LRBb0865/2 PJK:cjs:rs

LFB:.....Austin - Independent review modifications

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION ASSEMBLY AMENDMENT,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1, TO 2009 ASSEMBLY BILL 75

At the locations indicated, amend the substitute amendment as follows:

- 1. Page 1611, line 25: after "insured." insert "If an insured brings a civil action against an insurer relating to a preexisting condition exclusion denial determination or a rescission with respect to which an independent review organization has issued a decision, the decision of the independent review organization is presumed to be correct and the insured has the burden of rebutting the presumption.".
 - 2. Page 1612, line 11: after that line insert:
- 8 "Section 3192m. 632.835 (7) (c) of the statutes is created to read:
 - 632.835 (7) (c) An insurer is not liable for punitive damages for actions taken in compliance with any decision rendered by a certified independent review

- 1 organization under this section relating to a preexisting condition exclusion denial
- determination or a rescission.".

3 (END)